

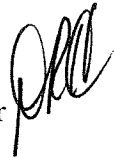


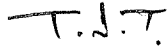
City of Loma Linda Official Report

Karen Hansberger, Mayor
Floyd Petersen, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: June 22, 2004

TO: City Council

VIA: Dennis R. Halloway, City Manager 

FROM: T. Jarb Thaipejr, Public Works Director/City Engineer 

SUBJECT: STREET LIGHT BENEFIT ASSESSMENT DISTRICT NO. 1 –
FISCAL YEAR 04-05 ANNUAL REPORT

RECOMMENDATION

It is recommended that the City Council approve:

1. Council Bill #R-2004-29 – Appointing an engineer and ordering preparation of the Engineer's Report;
2. Council Bill #R-2004-30 – Preliminarily approving the Engineer's Report; and
3. Council Bill #R-2004-31 – Setting the public hearing for July 13, 2003.

BACKGROUND

The City of Loma Linda annually levies and collects special assessments in order to provide and maintain the improvements within the Loma Linda Street Light Benefit Assessment District No. 1. The District has been formed and annual assessments are established pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* and Article XIIID of the California Constitution.

ANALYSIS

The Annual Report has been submitted by Muni-Financial, the Assessment Engineer. The total anticipated assessment for FY 04-05 will be \$ 288,922, and the expenditure is estimated to be \$334,400.

FINANCIAL IMPACT

Account No. 72-5100-1820

**CITY OF LOMA LINDA
STREET LIGHTING BENEFIT
ASSESSMENT DISTRICT NO. 1
ENGINEER'S ANNUAL LEVY REPORT
Fiscal Year 2004/2005**



INTENT MEETING: June 22, 2004
PUBLIC HEARING: July 13, 2004



Corporate Office

27368 Via Industria
Suite 110
Temecula, CA 92590
Tel: (909) 587-3500
Tel: (800) 755-MUNI (6864)
Fax: (909) 587-3510

Office Locations

Anaheim, CA
Jacksonville, FL
Lancaster, CA
Los Angeles Regional Office
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Pensacola, FL
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ENGINEER'S REPORT AFFIDAVIT

Street Light Benefit Assessment District No. 1

City of Loma Linda
San Bernardino County, State of California

This Report describes the Street Lighting Benefit Assessment District No. 1 ("District") and services therein including the improvements, budgets, parcels and assessments to be levied for fiscal year 2004/2005 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the San Bernardino County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this _____ day of _____, 2004.

MuniFinancial
Assessment Engineer
On Behalf of the City of Loma Linda

By: _____

Jim McGuire
Project Manager

By: _____

Richard Kopecky
R. C. E. # 16742

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I. OVERVIEW

A. Introduction

The City of Loma Linda ("City"), annually levies and collects special assessments in order to provide and maintain the improvements within the Loma Linda Street Light Benefit Assessment District No. 1 ("District"). The District has been formed and annual assessments are established pursuant to the *Landscape and Lighting Act of 1972, Part 2 of Division 15 of the California Streets and Highways Code* (the "1972 Act") and Article XIID of the California Constitution.

The Engineer's Annual Levy Report ("Report") describes the District, any changes to the District, and the proposed assessments for fiscal year 2004/2005. The proposed assessments are based on the historical and estimated costs to maintain the improvements that provide special benefit to properties within the District. The improvements within the District and the corresponding costs that make up the annual levy and that are budgeted and assessed to the District include budgeted expenditures, deficits, surpluses, revenues, and reserves.

For the purposes of this Report, the word "parcel" refers to an individual property assigned its own Assessor's Parcel Number (APN) by the County of San Bernardino Assessor's Office. The San Bernardino County Auditor/Controller uses APNs and specific Fund Numbers to identify properties on the tax roll assessed for special district benefit assessments.

Following review of the Report and consideration of public comments and written protests at a noticed public hearing, the City Council may order amendments to the Report or confirm the Report as submitted. Following approval of the Report, the Council may order the levy and collection of assessments for fiscal year 2004/2005 pursuant to the 1972 Act. In such case, the assessment information will be submitted to the County Auditor/Controller and included on the property tax roll for each benefiting parcel for fiscal year 2004/2005.

B. Compliance With Current Legislation

On November 5, 1996, California voters approved Proposition 218. The Constitutional amendment was the latest in a series of initiatives altering the revenue-raising discretion of California's local agencies. The provisions of the Proposition are set forth in the California Constitution Articles XIII C and XIII D.

In Proposition 218, "Assessments" are defined as:

"...any levy or charge upon real property by an agency for a special benefit conferred upon the real property. 'Assessment' includes, but is not limited to, 'special assessment,' 'benefit assessment,' 'maintenance assessment,' and 'special assessment tax.'" Article XIII D Section 2b

Although District assessments are generally collected on the property tax rolls, District "assessments" are not "taxes." Assessments are distinct from the regular one percent (1%) property tax and property tax debt overrides in that assessment rates are not levied on an ad valorem basis. The Levies contained in this Report are considered assessments under Proposition 218.

Street lights and traffic signals are installed on and for street purposes and are maintained and serviced to allow the street to perform to the standards it was designed. Assessments for the maintenance and servicing of streets include street lights and traffic signals and pursuant to the provisions of Article XIII D Section 5a, existing assessments for street maintenance are exempt from the procedural requirements of Section 4 of the Article until such time that the assessments are increased.

It is the Assessment Engineer's understanding that the assessments were to fund a degree of maintenance, which can fluctuate from year to year. As long as the maximum assessment for any prior year is not exceeded in future years, assessment balloting is not required.

II. DESCRIPTION OF THE DISTRICT

A. District Boundary

The boundaries of the Street Light Benefit Assessment District No. 1 are coterminous with the City of Loma Linda, California as shown on the map entitled, "Diagram Street Light Benefit Assessment District No. 1, City of Loma Linda, California" which is on file in the Office of the City Clerk, City of Loma Linda, California.

B. Improvements Within the District

The maintenance services in Street Light Benefit Assessment District No. 1 are for street lights, traffic signals and intersection lighting. They are an integral part of the entire street, the same as curb, gutters, pavement, signage and striping. Taken as a group, they are the elements that provide a safe route for motorists.

Street lights and traffic signals are installed to make streets safer. The traffic signals assign the right-of-way for motorists. Street lights are installed to provide better visibility for drivers. One hundred (100) percent of the illumination from the lights is directed to the street, ninety (90) percent on the street side of the curb and ten (10) percent behind the curb. The spacing of the lights is based on the speed of the vehicles and the natural ability of the motorists' eyes to adjust to light and darker areas.

The existing street light and traffic signal improvements are owned either by the Southern California Edison Company, the State of California Department of Transportation, or the City of Loma Linda. Facilities owned by either the Southern California Edison Company or the State of California Department of Transportation were constructed in accordance with plans and specifications on file with the respective owners. Facilities constructed for or by the City of Loma Linda are on file in the City offices. Reference is hereby made to said plans and specifications and they are by reference made a part of this report to the same extent as if said plans and specifications were attached hereto.

Although the Landscaping and Lighting Act of 1972 allows for the construction of improvements and the assignment of the benefit assessments associated therewith, it is not anticipated that any new improvements will be installed nor benefit assessments made for the installation of improvements for the 2004/2005 fiscal year.

III. METHOD OF APPORTIONMENT

A. General

Pursuant to the 1972 Act and the provisions of the California Constitution, the costs of the District are apportioned by a formula or method which fairly distributes the net amount to be assessed among all assessable parcels in proportion to the special benefits to be received by each such parcel from the improvements. Article XIID requires the agency to separate the general benefit from special benefit, whereas only special benefits are assessable.

Each parcel within the District receives special benefits from the improvements due to the close proximity of the lighting improvements to each parcel. The proposed assessments for fiscal year 2004/2005 are at the same rate as in the prior fiscal year 2003/2004. Since the assessments are not new, not increased, and are for streetlights, they are currently exempt from the procedures and approval process of Article XIID.

The cost to provide maintenance and services of the improvements within the District is fairly and equitably distributed among each assessable parcel based upon the estimated special benefits received by each parcel.

B. Benefit Analysis

The City Council, in determining the necessity of forming the District, took into account the increasing cost of providing services to the residents, businesses, and properties located within the City. The benefits of street lighting conferred upon the property within the District include the convenience, safety, and security of property, improvements and goods. Specifically:

1. Enhanced deterrence of crime and the aid to police protection.
2. Increased nighttime safety on streets through enhanced visibility.
3. Improved sense of security and safety for pedestrians, motorists and property owners.
4. Improved ingress and egress to property.
5. Reduced vandalism, other criminal acts and damage to improvements or property.
6. Reduced personal property loss.
7. The special enhancement to the value of property that results from the above benefits.

The preceding special benefits contribute to a special enhancement and desirability of each of the assessed parcels within the District.

C. Methodology

Assessments proposed for individual lots within Street Light Benefit Assessment District No. 1 will be for benefit received and will be determined based upon four benefit zones.

1. Residential parcels within the urban area having a minimal level of benefit.
2. Residential parcels within the urban area having a higher than minimal level of benefit.
3. Non-Residential land use within the urban area.
4. Rural land use outside the urban area.

The benefit to be received by each zone varies. There are residential properties within the urban area that have fewer street lights than other urban residential areas and thus receive less benefit. There are rural areas that have even fewer residential street lights than even the minimum urban residential areas and thus receive less benefit. The non-residential properties are generally sited along the major arterial streets and receive a higher level of street lighting and thus receive the highest level of benefit. These same levels of benefit are also reflected in the maintenance and operation of traffic signals.

The benefit to properties for traffic signals and intersection and highway safety lighting on the City's major streets is a benefit to the parcels within the City. The parcels share equally the cost of the signal and highway safety lights. Thus, the total benefit to each parcel within the District is a combination of the traffic signal and highway safety lighting, plus the various levels of lighting for the residential (minimal), residential (standard), non-residential and rural zones as described above.

All properties within Street Light Benefit Assessment District No. 1 have been categorized into one of the four benefit zones. Each property has been given 1 Unit of Benefit subsequent to its categorization. Please refer to Section B "Assessment Calculation" of this report for further particulars on assessments per 1 Unit of Benefit.

For a detailed explanation of the basis for assessing properties for street lights and traffic signals, refer to Section 6, "Assessment Basis," in the fiscal year 1982/1983 Engineer's Report for the Street Light Benefit Assessment District No. 1.

The City Council has determined that street lights and traffic signals are an integral part of the quality of life within the City and that the parcels within the City, except publicly and government owned ones, benefit to some degree from these systems.

All railroad, gas, water or electric utility or electric line right-of-way included within said District will not be assessed for said benefit. In addition, all public schools, government agencies, and parcels with no road frontage will not be assessed.

IV. DISTRICT BUDGETS

A. Estimated Operation and Maintenance Costs

The maintenance of existing street light and traffic signal facilities is performed by either the Southern California Edison company, the State of California Department of Transportation or by the City of Loma Linda through its own forces or contract personnel. The portion of the street light system owned and operated by the Southern California Edison Company is billed to the City on a monthly flat rate or metered basis. These flat rates or metered amounts vary based upon the type and size of luminaries and actual metered amounts.

A portion of the street lighting system is owned and maintained by the City of Loma Linda. Electrical energy is purchased from the Southern California Edison Company at metered locations. Again, as with the Edison-owned lights, there are frequent increases in the electrical energy costs; however, with the City-owned system, these increases are termed "fuel cost adjustments."

The following information was received from the City's Budget:

| | |
|------------------------------|------------------|
| Balance of Surplus 6/30/2003 | \$211,673 |
| Assessments 2003/2004 | 288,922 |
| Expenditures 2003/2004 | (278,600) |
| Estimated Surplus 6/30/2004 | <u>\$221,995</u> |

Proposed Fiscal Year 2004/2005 Budget for Street Lights and Traffic Signals:

For expenditure details reference is made to the actual budget on file with the City Finance Department.

| | |
|------------------------------------|--------------------|
| Anticipated Assessments 2004/2005 | \$288,922 |
| Anticipated Expenditures 2004/2005 | <u>(\$334,400)</u> |
| Anticipated Surplus FY 6/30/2004 | <u>(\$45,478)</u> |
| Estimated Surplus 6/30/2004 | <u>\$221,995</u> |
| Grand Total (Surplus) | \$176,517 |

As provided in the Landscaping and Lighting Act, a reserve fund has been established to provide maintenance dollars until assessments are received from the County beginning in December 2004.

| | |
|---|------------|
| Proposed fiscal year 2004/2005 Assessment | \$ 288,922 |
|---|------------|

B. Assessment Calculations

For detailed assessment calculations, refer to Section 7, "Assessments," in the fiscal year 1982/1983 Engineer's Report for the Street Light Benefit Assessment District No. 1.

The total assessment necessary to operate and maintain the street lights and traffic signals in fiscal year 2004/2005 is estimated to be \$334,400. This cost minus any fund balance credit will be distributed among 4,665 parcels this year. The estimated balance to levy for fiscal year 2004/2005 is \$288,922.

Summary of Proposed Annual Assessments

| Benefit Zones | Assessment Per 1 Unit Of Benefit |
|-------------------------|---|
| Residential (Surcharge) | \$ 56.14 |
| Residential (Minimal) | \$ 38.00 |
| Non-Residential | \$ 123.17 |
| Rural | \$ 17.88 |

Per parcel assessments are based on the number of 100 foot increments of front footage that a parcel has within their Assessment Group. Developments with private streets, such as condominiums, have assessments based on the number of 100 foot increments of front footage along the perimeter of the development divided by the number of feet within the development. Front footage increments are rounded up to the nearest 100 feet. For example: A parcel with 267 front linear feet within the Residential Surcharge area is assessed $300 \text{ ft.} / 100 \text{ ft.} \times \$56.14 \text{ per ft.} = \168.42 .

Individual assessments for individual parcels within the District are tabulated in Appendix B of this report.

The City Council will hold a public hearing to consider confirming, or modifying and confirming, the foregoing assessments for the 2004/2005 fiscal year. These assessments, if confirmed, will be transmitted to the San Bernardino County Auditor and recovered through taxes paid by property owners as is required by the Landscaping and Lighting Act of 1972.

APPENDIX A — DISTRICT BOUNDARY MAPS

The Boundary Diagram for the original district has previously been submitted to the Clerk of the City in the format required under the Act and are made part of this Report by reference.

The parcel identification, lines and dimensions of each parcel within the District are those lines and dimensions shown on the Assessor Maps of San Bernardino County for the year in which this Report was prepared and is incorporated by reference and made part of this Report.

APPENDIX B— 2004/2005 COLLECTION ROLL

Parcel identification, for each lot or parcel within the District, shall be the parcel as shown on the San Bernardino County Assessor Parcel Maps and/or the San Bernardino County Secured Tax Roll for the year in which this Report is prepared.

Non-assessable lots or parcels may include government owned land, public utility owned property, land principally encumbered with public right-of-ways or easements and dedicated common areas. These parcels will not be assessed.

A listing of parcels within the District, along with the proposed assessment amounts, has been submitted to the City Clerk and, by reference, are made part of this Report.

Upon approval of the Engineer's Annual Levy Report, and confirmation of the assessments, the assessment information will be submitted to the County Auditor/Controller, and included on the property tax roll in fiscal year 2004/2005. If the parcels or assessment numbers within the District and referenced in this Report, are re-numbered, re-apportioned or changed by the County Assessor's Office after approval of the Report, the new parcel or assessment numbers with the appropriate assessment amount will be submitted to the County Auditor/Controller. If the parcel change made by the County includes a parcel split, parcel merger or tax status change, the assessment amount submitted on the new parcels or assessment numbers will be based on the method of apportionment and levy amount approved in this Report by the City Council.

APPENDIX C — RESOLUTIONS